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The Honorable Franklin Lavin
Undersecretary of International Trade Administration
U.S. Department of Commerce
1401 Constitution Ave., NW
Washington, DC 20230

January 4, 2006

Dear Undersecretary Lavin:

P&G is writing to support the Government of Ukraine's request that the U.S. Department of Commerce recognizes Ukraine as a "market economy" for purposes of U.S. trade remedy laws. We are one of a number of major U.S. corporations doing business in Ukraine. As such, we have current experience with Ukraine's business conditions that is our basis for commenting on Ukraine's case for market economy status.

P&G's managers in the region confirm that market-oriented business conditions are improving in Ukraine. Our company is able to convert the local currency freely without significant restrictions. Our investment in Ukraine has been welcomed. Our products are sold without marketplace interference. In short, P&G is currently experiencing a functioning market economy in Ukraine.

Recent independent reports show that approximately two-thirds of Ukrainian GDP is generated by the private sector. Large-scale privatizations have added to the private sector's role in the Ukrainian economy. Since the Orange Revolution, Ukraine is fostering overall growth in market-based economic conditions, through legislation and otherwise, and the pace of that reform is increasing. In our view, these market-based economic realities corroborate our experience and provide additional support for recognizing Ukraine as a market economy. Finally, we note that the European Union has recently recognized Ukraine as a market economy for the purposes of their trade remedy laws.

Please do not hesitate to contact me with any questions regarding P&G's support for the recognition of Ukraine as a market economy under U.S. trade remedy laws.

Sincerely,

R. Scott Miller